

Article - Local Government

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§19–504.

(a) Except as provided in subsection (b) of this section, the issuance of all bonds of a county shall be authorized by public local law enacted in accordance with §§ 9–308 through 9–315 of this article.

(b) To issue bonds described in § 19–503(c) of this subtitle, a county:

(1) need not enact a public local law; and

(2) shall comply with the law authorizing issuance of the bonds.

(c) The public local law required under subsection (a) of this section shall contain:

(1) a statement of:

(i) the aggregate amount of bonds authorized by the public local law;

(ii) the public purpose for which the bond proceeds are to be spent; and

(iii) the revenues from which the principal of and interest on the bonds will be payable; and

(2) a requirement that the county commissioners, before issuing any of the bonds, adopt a resolution containing the information specified in subsection (d) of this section.

(d) (1) A resolution adopted under subsection (c)(2) of this section shall contain:

(i) a statement of:

1. the amount of bonds to be issued; and

2. the public purpose for which the bond proceeds are to be spent;

- (ii) the form of the bonds, including:
 - 1. the place at which the bonds will be payable;
 - 2. the time at which the bonds will be payable;
 - 3. the interest rate on the bonds or a space to insert the interest rate when determined;
 - 4. the title of each official whose signature must be affixed to or imprinted on the bonds;
 - 5. the authority for issuance of the bonds; and
 - 6. the revenues from which the principal of and interest on the bonds will be payable;
- (iii) specific provision for the appropriation and disposal of the bond proceeds;
- (iv) specific provision for the payment of the principal of and interest on the bonds, including the source of payment; and
- (v) the form of the notice soliciting bids for the purchase of the bonds.

(2) The provision made for payment of the bonds under paragraph (1)(iv) of this subsection is a covenant binding the county to provide money from the source described to pay the principal of and interest on the bonds when due.

(e) (1) If the public local law authorizing the bonds does not exempt them from §§ 19–205 and 19–206 of this title, the form of the notice soliciting bids for the purchase of the bonds shall include the information required by § 19–205 of this title.

- (2) The notice of sale also may:
- (i) require prospective purchasers to submit bids on specified forms;
 - (ii) provide for approval of the legality of the bonds; and
 - (iii) contain a financial statement of the county.

(3) Any of the items under paragraph (2) of this subsection also may be separately set forth in a circular or official statement.

(f) A resolution authorizing any bonds of a county may contain any other provision not inconsistent with this subtitle that the county commissioners consider appropriate, including a provision that:

(1) the principal of and interest on the bonds shall be payable at one or more banks or trust companies in or outside the State;

(2) except for the signature of the clerk or secretary, which must be manually affixed, the signatures of officials of the county and official seals to be affixed to the bonds or any coupons attached to the bonds shall be imprinted on the bonds or coupons in facsimile;

(3) at the option of the county, some or all of the bonds shall be made redeemable, before maturity, at or above par value as required in the resolution if:

(i) the bonds contain a statement of the redemption provisions; and

(ii) the resolution provides for published notice before a redemption;

(4) the issue of bonds shall be in varying denominations and in coupon form registrable as to principal only, in fully registered form, or both forms if they are interchangeable; and

(5) a bond is a valid and binding obligation of the county in accordance with the terms of the bond even if an official whose signature appears on the bond:

(i) ceases to be an official before the delivery of the bond; or

(ii) becomes an official after the date of issue of the bond.

(g) Subject to § 19–505(d) of this subtitle, neither a resolution authorizing any bonds of a county nor the question of the issuance of bonds authorized by the resolution need be submitted to referendum of the voters of the county.

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